



# BROWNFIELDS CASE STUDY

Wisconsin Department of Natural Resources  
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## Milwaukee Tannery Site Redeveloped Through Unique Partnership

An abandoned, contaminated property that was vacant for 10 years has been cleaned up and restored to productive use. Formerly, the site was considered an eyesore, a safety threat, and a hazard to public and environmental health; now, the property houses a division of a mechanical contracting business and provides approximately 11 jobs.

A partnership between city, state, and federal government agencies, a private business, a neighborhood health center, and community residents was critical to the success of this brownfield redevelopment effort.

### Background

The property is located in Milwaukee's "near south side" region, near the Kinnickinnic River, which was historically a center for heavy manufacturing. A variety of foundries, leather tanneries, and a metals reclamation business have occupied the site since 1894.

Today, the area is characterized as light commercial/residential.

Vacant properties are found throughout the neighborhood.

The City of Milwaukee acquired the former Tannery site through tax foreclosure in 1987 when the business owner went bankrupt and abandoned the property. In 1988, the City paid for initial Phase II testing and collecting, storage, removal and disposal of solid wastes and asbestos, totaling \$25,000.

During the years that it lay vacant, the site degenerated further due to illegal dumping. Waste barrels and garbage piles in the yard and graffiti on the building added to the site's decay. The abandoned building fell into disrepair and attracted gang activity. The property allegedly became home to an illegal drug lab for a number of years. Neighbors felt unsafe and also noticed increased rates of theft.

Members of a neighborhood association complained to their alderperson, who voiced their concerns to city officials. In 1996, the City of Milwaukee, in conjunction with the Sixteenth Street Community Health Center,

nominated the site for the Wisconsin Department of Natural Resources' (DNR) Brownfields Environmental Assessment Program.

### **BEAP (Brownfields Environmental Assessment Program)**

The BEAP is designed to provide information on environmental conditions in order to encourage municipalities or developers to rejuvenate brownfields. DNR staff conduct preliminary environmental assessments of tax-delinquent, municipal-acquired properties to determine if they are contaminated. This is the first step toward full site characterization, cleanup, and redevelopment of suspect properties.

The DNR also works with municipalities and other partners to find ways to complete investigation, cleanup, and redevelopment.

### **Cleanup**

As part of the BEAP process, the DNR asked the U.S. Environmental

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Protection Agency (EPA) to inspect the site for eligibility for the Superfund Emergency Removal Program. The investigation revealed elevated concentrations of lead and PCBs. The report also documented the existence of numerous drums of known and unknown materials, waste pits and trenches on the property, and assorted garbage piles dumped illegally over the fence. The EPA determined that the contamination and hazardous materials on the property posed a serious potential threat to human health and the environment and merited an emergency removal action.

The EPA spent \$400,000 from the Superfund Emergency Removal Program, which financed the bulk of the cleanup costs. The EPA removed contaminated soils, containers of hazardous waste, and other hazardous materials and filled and graded the property.

The DNR and the US EPA then spent approximately \$60,000 on Phase I and II Environmental Site Assessments as part of the BEAP program. City redevelopment and discretionary funds were used to perform confirmation sampling. During this time, a mechanical contracting business, Butters Fetting Co., expressed an interest in the property. The company eventually purchased the property for \$10,000 and spent nearly \$400,000 to rehabilitate the building.

### Partnerships

The success of this redevelopment is due to a team of partners who helped move the property through the process in a timely fashion:

**The DNR's BEAP** conducted the environmental assessment of the remaining contaminants at the property.

**The EPA** financed the bulk of the cleanup by performing an emergency removal action.

**Sixteenth Street Community Health Center** initiated meetings and acted as a liaison between the other agencies and community members.

**The City of Milwaukee** performed an initial environmental assessment, arranged for improved lighting, provided staff, and negotiated the remediation plan and sale of the property.

**The Clocktower Acres neighborhood group and its alderperson** played an active "community watchdog" role to vocalize residents' concerns.

**Butters Fetting Co.** significantly renovated the building.

### Current Status

Butters Fetting started to operate in the unfinished building during the summer of 1997. Several apprentices began working on a massive construction project that occupied approximately 22,000 square feet; Edward Tonn, Sr., CEO, reports his business could not have managed this project without the building. Butters Fetting now has moved the entire sheet metal division of its operations to 1906 South Third Street, the former Tannery.

### Benefits

- Rehabilitating the building was less expensive per square foot than new construction because the steel structure of the building was in good condition; therefore, Butters Fetting **saved money** during their expansion efforts.

- The property is in close proximity to two interstates, so the company has acquired a **prime location** for its

business.

- The removal of severe contamination mitigated **environmental hazards** and eliminated **public health threats**.

- The property is no longer a **public eyesore** due to illegal dumping of waste.

- **Gang activity** has been eliminated now that the vacant lot and building are occupied.

- Neighbors report a decline in **crime and drug incidents**.

- Redevelopment efforts have returned the property to the **tax rolls** and provided **jobs**.

- The city is planning to improve the streets and sidewalks in the area, which will further enhance **property values** and improve neighborhood transportation and aesthetics.

### LGU (Local Governmental Unit)

### Liability Exemption

Even though the Local Governmental Unit exemption did not exist when the City of Milwaukee acquired the former Tannery site, LGUs are now automatically exempt from liability under Wisconsin's Hazardous Substance Discharge Law (Spill Law) and the US EPA Superfund laws when an LGU acquires the property through condemnation, tax delinquency or bankruptcy proceedings, or slum or blight clearance authorities. These exemptions increase an LGU's incentive to redevelop and "broker" brownfield properties to prospective purchasers. A local governmental unit means any city, town, village, county, county utility district, town sanitary district, public inland lake protection and rehabilitation district, metropolitan sewage district, certain

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types of redevelopment authorities, certain types of public bodies designated by a municipality, or a housing authority.

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